

1 found that the translator's ownership by Peninsula was  
2 inconsistent with Section 74.1232(d) of the  
3 Commission's rules?

4 A Read the question again.

5 Q Do you acknowledge that the FCC ordered Peninsula to  
6 stop operating the Kenai translator because the FCC  
7 found that the translator's ownership by Peninsula was  
8 inconsistent with Section 74.1232(d) of the  
9 Commission's rules?

10 MR. SOUTHMAYD: I'm going to object to that. I think  
11 it calls for a legal opinion. I don't think he's been asked  
12 whether he has a legal opinion.

13 MR. SHOOK: I'm just asking for his understanding Jeff.

14 A I don't fully understand the question. Because the FCC  
15 may have terminated it for some other reason, which is  
16 what my opinion is, not because of the ownership  
17 restriction of 74.1232(d).

18 Q Well, in terms of your opinion then, what is it that  
19 you think that the FCC based its decision on?

20 A The termination order made no provision for appeal.  
21 And therefore the termination order to tell me to  
22 terminate operation with no provision for appeal was -  
23 - we consider an unlawful order.

24 (Whispered conversation)

25 Q I think the focus of the question though was more on

1        why -- what is your understanding as to why the FCC  
2        terminated the operation.

3        A     I think -- my opinion is the FCC is trying to force  
4        compliance with the rule change but the FCC has failed  
5        to acknowledge the Alaska exception and so they're  
6        forcing compliance with the rule change without any  
7        consideration of the exceptions that were made in  
8        licensing these translators in the first place.

9        Q     Now is it your understanding that Peninsula's operation  
10       of the Kenai translator is inconsistent with Section  
11       74.1232(d) of the Commission's rules?

12       A     I would qualify it by saying that it may be  
13       inconsistent with the present form of the rule, however  
14       we believe we have an exception granted under 59,  
15       footnote 59.

16       Q     So are you claiming that such operation is consistent  
17       with the rules because Peninsula has some kind of  
18       waiver to operate the Kenai translator at variance with  
19       the rule?

20       A     We sought and received by virtue of the fact that we  
21       were granted licenses. All necessary exceptions that  
22       we -- were made for these Alaska translators.

23       Q     Now has Peninsula ever received from the Commission a  
24       written waiver to operate the Kenai translator at  
25       variance with the current version of Section 74.1232(d)

1 of the Commission's rules?

2 A I would have to ask my counsel. Jeff, do you have an  
3 answer for that?

4 MR. SOUTHMAYD: Yeah, I'm not testifying.

5 THE WITNESS: Okay.

6 A All right. Twelve -- the waivers we requested in all  
7 of our applications by referencing Wrangell Radio  
8 Group, the staff granted our applications, we had  
9 licenses that were good all the way through 1996. The  
10 Commission never notified me of any necessary -- of any  
11 necessity to change anything, to go in and request  
12 waivers.

13 Q By notifying you, you mean notifying you personally?

14 A Peninsula. The corporation was never notified that it  
15 needed to request any waiver.

16 Q And again, by notifying Peninsula what you're -- just  
17 so I understand you, what you're referring at this  
18 point would be a letter from the Commission or some  
19 specific notification directly to Peninsula.....

20 A Uh-huh (affirmative).

21 Q .....that it needed to do something?

22 A Yes.

23 Q As opposed to a notice of rulemaking or a report and  
24 order.

25 A I don't understand your question.

1     Q     Well, what I'm saying is, or what I'm getting at is  
2           your contention is that Peninsula did not receive a  
3           letter directly from the Commission stating Peninsula  
4           Communications, you need to do something in order to  
5           comply with this ru.....

6     A     Other than the letter that came later on from Linda  
7           Blair. When we went through our -- our renewal process  
8           in 1996 we did get a letter from Blair stating that you  
9           need to divest, sell these translators, or turn them  
10          off.

11    Q     I believe I'm going to get to that.

12    A     I had licenses that were good through their renewal  
13          cycle of 1996. I never received any show cause order  
14          or any other notification requiring me to modify my  
15          licenses. I did not receive a 316 notice, anything  
16          that indicated that I had to modify my licenses. I  
17          renewed them as always in 1996 and that's when we got  
18          the petitions to deny.

19    Q     Now what I'd next like you to look at is a document  
20          that bears the date of September 30, 1997. And the  
21          first page is a cover letter and then if you proceed on  
22          from that it appears to be an FCC 303S application for  
23          renewal of license for AM, FM, TV, translator or LP TV  
24          station. And do you have that document in front of  
25          you?

1 A Yes.

2 Q Now, I'd like you to first of all go to the third page  
3 of that document. Actually the -- it would be the  
4 fourth page. Including the -- when we include the  
5 cover letter if you could go back one page. There.  
6 And there's a document in here bearing a date of  
7 September 25, 1997 and it has a signature on it. Is  
8 that your signature?

9 A Yes.

10 Q And this concerns the Commission's environmental rules?

11 A Yes.

12 Q All right. Now if you proceed two more pages there's a  
13 page that has a section styled certification and it has  
14 the printed name of David F. Becker and I ask you  
15 whether your signature appears there as well.

16 A Yes.

17 Q And the date is September 25, 1997?

18 A Yes.

19 Q Now, one page earlier -- I would direct your attention  
20 to section number five of the paragraph numbering five.  
21 And if you could read the question and then your answer  
22 for part A.

23 A Is the applicant in compliance with 47 CFR Section  
24 74.1232(d) which prohibits the common ownership of a  
25 commercial primary station and an FM translator station

1       whose coverage contour extends beyond the protected  
2       contour of the commercial primary station being  
3       rebroadcast? This restriction also applies to any  
4       person, entity having an interest in or connection with  
5       the primary FM station. The answer is no.

6       Q     All right, that was the box that was checked?

7       A     Yes.

8       Q     And then it says if no attach an explana -- or Exhibit  
9       as an explanation.

10      A     Yes.

11      Q     And what does the Exhibit read?

12      A     Exhibit number one, the applicant has an application  
13      pending before the Commission to assign a license for  
14      this translator to coastal broadcast communications.  
15      See FCC file BALFT970701TX. Accordingly the applicant  
16      is proposing to divest the ownership of this translator  
17      and to bring the ownership thereof into compliance with  
18      the Commission rules and policies.

19      Q     Now, as I understand it, and if you wish we can go  
20      through each document, but each of the renewal  
21      applications for the following translators, K283AB  
22      Soldotna, K274AB Kodiak, K285AA Kodiak, K257DB Anchor  
23      Point and Seldovia and K272CN Homer and K265CK Kachemak  
24      City all respond in the same manner to question five A  
25      as to whether or not the applicant is in compliance

1 with Section 74.1232(d)?

2 A Yes.

3 MR. SHOOK: Now Jeff, if you don't mind I would like to  
4 take a five minute water slash bathroom break at this point.

5 MR. SOUTHMAYD: Sure. You know, that's fine with me.

6 THE REPORTER: Off record.

7 (Off record)

8 (On record)

9 THE REPORTER: On record.

10 MR. SHOOK RESUMES:

11 Q Mr. Becker, would it be fair to state that you believe  
12 one justification for Peninsula's continuing operation  
13 of all of the translators that we have been talking  
14 about, the other area translators, appears in that  
15 footnote 59 of the Commission's 1990 Report and Order?

16 A Yes.

17 Q And I'm not -- we may have -- I may have asked this  
18 question before, but just to clarify it again,  
19 approximately when did you come to this conclusion?

20 A Well, I would say it'd be sometime in the late '95 or  
21 '96 when we got into the renewal proceeding and we were  
22 challenged on our license renewals.

23 Q And notwithstanding that belief and the timing of that  
24 conclusion you noted that the applications that we just  
25 got finished looking at bearing a date of September of

1 1997 acknowledge that Peninsula was not in compliance  
2 with Section 74.1232(d) of the Rules.

3 A As presently -- as revised. This is the application.  
4 This is the second renewal cycle.

5 Q Correct.

6 A Where we had already proposed to sell our translators  
7 to Coastal Broadcasting.

8 Q Correct. But the basis for my question, the reason for  
9 my curiosity here, is that the -- if you had come to  
10 the conclusion more than a year earlier that footnote  
11 59 justified or allowed your continuing operation of  
12 the translators and that you were in compliance with  
13 the Commission's rules, I don't understand how it is  
14 that you could then say in applications that you  
15 weren't in compliance.

16 A The application didn't -- I mean -- we were in the  
17 process of selling these things so in my mind it was  
18 immaterial. These were going to be transferred to  
19 Coastal so the compliance issue wasn't really an issue  
20 for us. Coastal was buying it and this matter was  
21 supposed to disappear as soon as we transferred to  
22 Coastal, so it wasn't an issue. I wasn't fighting to  
23 retain ownership at that point.

24 Q Now, let's look again at the Report and Order. That's  
25 one of the documents that is back in the stack there.



1 Keep going. I think that's the 1993 Memorandum Opinion  
2 and Order. It's a much thicker document.

3 MR. SOUTHMAYD: Is this the 1991?

4 MR. SHOOK: This is the Report and Order that was  
5 released December 4, 1990.

6 MR. SOUTHMAYD: Okay.

7 MR. SHOOK RESUMES:

8 Q Now -- and do you recall that when we were looking at  
9 footnote 59 it was in conjunction with the section of  
10 the Order that pertained to signal delivery?

11 A Where is that?

12 Q If you look at page 7220 above paragraph 56 you will  
13 see the heading signal delivery.

14 A Okay.

15 Q And you will see that following that portion there are  
16 one, two, three, four, five, six, seven paragraphs  
17 numbering 56 through 62.

18 A Uh-huh (affirmative).

19 Q Do you see that?

20 A Yes.

21 Q And that's where footnote 59 appears. Footnote 59  
22 appears in connection with paragraph 61. Do you see  
23 that?

24 A There is a reference in -- in paragraph 61 with a  
25 footnote reference to 59 at that point.

1 Q And you do understand, don't you, that Section  
2 74.1232(d) of the rules has nothing to do with signal  
3 delivery?

4 A I need a copy of the rule in front of me. To see what  
5 it says.

6 Q Let me see if I can help you there.

7 MR. SHOOK: Jeff, I'm going to place before Mr.  
8 Becker.....

9 MR. SOUTHMAYD: I think we could stipulate to that.

10 MR. SHOOK: All right.

11 THE WITNESS: Okay.

12 MR. SHOOK RESUMES:

13 Q Now, if we take a look at the footnote 59. The  
14 Commission references Wrangell and it says that it has  
15 accommodated Alaska's unique lack of adequate  
16 communication services by granting various waivers and  
17 it notes three areas, program origination, alternative  
18 signal delivery and cross service translating. Do you  
19 see that?

20 A What page are we on?

21 Q That's page.....

22 A Oh, I.....

23 Q .....7245.

24 A Yeah, I found it. Okay. I see it.

25 Q Now Peninsula's translators for Kenai, Soldotna,

1 Kodiak, Anchor Point, Homer and Kachemak City, they  
2 don't have waivers for alternative signal delivery, do  
3 they?

4 A That is correct.

5 Q And currently they don't have waivers for cross service  
6 translating?

7 A Yes.

8 Q I mean that would be correct?

9 A Yes.

10 Q Now looking at the footnote, wouldn't you agree that  
11 the footnote says nothing about waiving ownership  
12 restrictions?

13 A There is nothing in the footnote that I see references  
14 owner restrictions.

15 Q Okay.

16 A However the footnote does say that we intend that our  
17 decisions herein not alter in any fashion the special  
18 treatment we accord Alaska, and it cites Wrangell Radio  
19 Group. And when we submitted all of our applications  
20 that were applicable to that we referenced Radio --  
21 Wrangell Radio Group. And the Commission by granting  
22 the licenses granted us that exception. And there are  
23 lots of, you know, examples around the state as well,  
24 not just my translators.

25 Q Well I'm sure we'll have a chance at some point in the

1 future to go into all those.

2 A Uh-huh (affirmative).

3 Q I just -- I don't intend to do that today.

4 A Okay.

5 Q Now, the next document I'd like to place in front of  
6 you is dated May 6, 1991. And it's a letter, a two  
7 page letter addressed to Ms. Donna R. Searcey and it  
8 transmits -- it appears to transmit on behalf of  
9 Peninsula an application for a new FM translator on  
10 channel 285 at Kenai.

11 A Yes.

12 Q Now, looking through this letter can you point to me or  
13 describe to me the language that Peninsula used to  
14 request a waiver for the current version of Section  
15 74.1232(d)?

16 A Paragraph one, two, three, four references -- paragraph  
17 four references Wrangell Radio Group, 75 FCC 2D404,  
18 1979. This policy has become known as the Alaska  
19 exception for FM translator applications. The  
20 Commission has evolved -- the need has evolved into a  
21 policy of granting liberal waivers of the Commission's  
22 broadcast rules including in the context of application  
23 for new FM translators and major changes and facilities  
24 of existing stations references Wrangell Radio Group.

25 Q All right. And then what does the next paragraph read

1 on the following page?

2 A Peninsula respectfully requests that its subject  
3 application be accepted for filing and processed in  
4 advance of the lifting of the FM translator application  
5 freeze under this policy. The public interest will be  
6 served by such a waiver in that it will allow Peninsula  
7 to continue to operate the FM translator and continue  
8 to help provide expanded broadcast services in the  
9 State of Alaska. Without a grant of the requested  
10 waiver it is doubtful that Peninsula will be able to  
11 modify the facilities of the subject FM translator till  
12 the summer of 1992 and it may be forced to discontinue  
13 operation until that time.

14 Q All right. Now from what you just read are you stating  
15 to us it's your understanding that that also  
16 constituted a request for a waiver of 74.1232(d)?

17 A It must be because the staff granted it. Yes, we did -  
18 - under a broad liberal policy the Commission was  
19 granting at the time, they extended us a construction  
20 permit. And it was done under a request of a broad  
21 liberal waiver based on Wrangell Radio Group  
22 exceptions. So it was not only just for the freeze, it  
23 was to permit this translator to be licensed under  
24 Wrangell Radio Group waivers.

25 Q All right. Are you claiming with respect to the Kenai

1 translator that Peninsula made an appropriate showing  
2 to justify a waiver of the ownership restrictions now  
3 appearing in 74.1232(d)?

4 A I would say evidently we did because the staff granted  
5 our application.

6 Q All right. If you would please could you give me some  
7 idea of what showing Peninsula actually made?

8 A There was.....

9 Q I recognize it may take a little while to look through.  
10 So please take your time.

11 A This -- what you have here is our showing, it's our  
12 application for a CP which was granted by the  
13 Commission under a -- under a broad policy called  
14 Wrangell Radio Group. The policy was a broad policy as  
15 evidenced by all the licenses that we were granted  
16 under Wrangell.

17 Q Did Peninsula show that the Kenai translator was going  
18 to serve what we have discussed and what the Commission  
19 defined as a white area?

20 A No, it was not a white area.

21 Q Now the next document I'd like you to look at is a very  
22 -- it's a similar cover letter and application. And it  
23 also bears the date of May 6, 1991. It's a two page  
24 letter addressed to Ms. Donna R. Searcey signed by  
25 Jeffrey D. Southmayd. And this appears to concern

1 Peninsula's application to seek a modification of the  
2 output frequency for FM translator K285DT to channel  
3 283. And I think that is the one that we have referred  
4 to as being dual licensed for Kenai and Soldotna.

5 A Yes. Yes.

6 Q Now are you claiming that with respect to this  
7 translator Peninsula had requested a waiver of the  
8 current version of Section 74.1232(d)?

9 A The cover letter states that the broad liberal -- the  
10 policy of the Commission has been a long recognized  
11 policy for the need for additional broadcast services.  
12 This need has evolved into a policy of granting liberal  
13 waivers of the broadcast rules of the Commission,  
14 including in the context of applications for new  
15 translators and major changes in facilities and  
16 references Wrangell Radio Group. The Commission at  
17 this point in time in 1991 was liberally granting CP's  
18 and licenses to translators in Alaska under the  
19 exception known as the Wrangell Radio Group exception.  
20 It was not necessary at the time to specifically  
21 request waivers of specific sections of the rules. And  
22 it's obviously so because the Commission granted our  
23 application so they acted accordingly and that was all  
24 that was required at the time.

25 Q Okay, just to clarify, with respect to the Soldotna

1 application. There is nothing specific in the cover  
2 letter then that requests a waiver of.....

3 A No.

4 Q .....ownership.

5 A Other than the reference to Wrangell Radio Group and  
6 the overall waiver policy that was in existence at that  
7 point in time and was understood by the staff in  
8 granting licenses and permits at that time, it was  
9 sufficient to do it under a Wrangell Radio Group  
10 exception.

11 Q So then it would also be the case as with the Kenai  
12 application that there was nothing specific in the  
13 Soldotna application.

14 A That is correct.....

15 Q .....asking for.....

16 A .....it was not required.

17 Q ..... a waiver of 74.1232(d).

18 A That's correct.

19 Q And would it also be the case that with respect to the  
20 Soldotna translator there was no showing that Peninsula  
21 was going to be serving a white area?

22 A No, it was not required. The only -- the only thing  
23 that was necessary at the time was to make a -- a  
24 showing or a reference to Wrangell Radio Group. The  
25 policy that was in existence at the time, and obviously



1           it worked because we were given licenses.

2       Q     Just to clarify though, the application itself did not  
3           actually make any showing that Soldotna was going to be  
4           serving.....

5       A     Well, the cover letter is a part of the application and  
6           it references Wrangell Radio Group.

7       Q     No, no, I understand that. My question is a very  
8           narrow one. And that is that the Soldotna translator  
9           application, and if you wish you can include the cover  
10          letter here.

11      A     Yes.

12      Q     There was no showing that a white area was going to be  
13          served by that translator.

14      A     There was no showing. And it was our interpretation of  
15          the policy that was in place at the FCC that no showing  
16          was necessary under -- at this point in time, in 1991,  
17          it was not necessary to make a showing. In fact the  
18          rule change that later on came in '94 was -- from that  
19          point on is where the showing was required, '91 it  
20          wasn't necessary to make a showing.

21      Q     Now finally there is another application, and  
22          unfortunately I wasn't able to locate the cover letter  
23          so this is just the application itself. Or actually,  
24          excuse me, the cover letter is on the following page.  
25          So I did find it. Anyway, you will notice that it

1 bears the same date of May 6, 1991 as the two letters  
2 that we had just looked at. And it appears to me that  
3 exception -- with the exception of it now referring to  
4 a translator in Kodiak that the letter is identical to  
5 the other two letters.

6 A Yes.

7 Q And that likewise there was no specific showing in this  
8 letter or in this application regarding 74.1232(d).

9 A No.

10 Q So your answers would be the same as before in terms  
11 of.....

12 A Yes.

13 Q .....what you did and why you did it.

14 A Yes.

15 Q And it would also be so that with respect to the Kodiak  
16 translator referenced here that there was not going to  
17 be service to a white area?

18 A Let's see, the date is '91?

19 Q Yes sir.

20 A No, there was no showing made with respect to whether  
21 it was a white area or not. It was not necessary to do  
22 so.

23 Q No, I mean my question was simply whether or not the  
24 application contained such a showing, not whether it  
25 was required or not. I mean that's something that.....

1 A The application.....

2 Q .....we can argue about.

3 A .....does not appear to have a showing of any white

4 area considerations.

5 Q Now, I believe we've established or talked earlier

6 about there being a second Kodiak translator. This one

7 was serving -- the one that you are looking at now, the

8 application that you're looking at now, the station was

9 serving channel 272 and then it was going to be moved

10 to channel 274. But then there was another Kodiak

11 translator on channel 285. Do you remember that?

12 A Yes.

13 Q Now, with respect to the Kodiak 285 translator is it

14 your understanding that there was a request at some

15 point for a waiver of Section 74.1232(d)?

16 A For 285.....

17 Q Yes.

18 A .....in Kodiak?

19 Q Right.

20 A It was never necessary under the current version of the

21 rules in place, when that translator was filed for a

22 waiver wasn't necessary.

23 Q And the reason for that was?

24 A It was not located within the primary contour of any

25 other commercial FM station. It was the first

1 commercial FM service in Kodiak, that translator  
2 provided it.

3 Q And there came a time, however, when there was a  
4 commercial FM service in Kodiak?

5 A Eventually. Yeah, some years later.

6 Q And following the appearance of that FM full power  
7 station did there ever come a time when Peninsula asked  
8 for a waiver of 74.1232(d) with respect to the Kodiak  
9 285 translator?

10 A No. The Commission found that small communities in  
11 Alaska were better served by more than one station in  
12 81-484. So that was the Commission policy. And  
13 74.1232(d) was permissive in nature and -- and  
14 permitted but did not require the termination of a  
15 translator upon the appearance of a full service  
16 station.

17 Q And the reference that you're making is to that 1981  
18 Commission decision.....

19 A Yes.

20 Q .....concerning Peninsula?

21 A Uh-huh (affirmative).

22 Q And the rule that you're referencing is the one that  
23 was in place at that time?

24 A That's right.

25 Q Has Peninsula ever requested a waiver of the current

1 version of Section 74.1232(d) for the Anchor Point  
2 translator?

3 A No.

4 Q Is it your understanding -- or what is your  
5 understanding as to whether or not the Anchor Point  
6 translator serves what the Commission defines as a  
7 white area?

8 A No, it's not a white area. It was never a white area.

9 Q Has Peninsula ever requested a waiver of the current  
10 version of Section 74.1232(d) for the Homer  
11 translator.....

12 A No.

13 Q .....that carries KPEN?

14 A No.

15 MR. SOUTHMAYD: Dave, let him finish his question,  
16 okay?

17 THE WITNESS: I apologize, I'm sorry, I interrupted.

18 MR. SOUTHMAYD: That's okay.

19 MR. SHOOK RESUMES:

20 Q And with all that we know in terms of service in Homer  
21 we know that the Homer translator does not serve a  
22 white area, correct?

23 A Correct.

24 Q And with respect to the Kachemak City translator has  
25 Peninsula ever requested a current -- or a waiver of

1 the current version of Section 74.1232(d)?

2 A No.

3 Q With respect to the Kachemak City translator's coverage  
4 area, does it serve what the Commission defines as a  
5 white area?

6 A No.

7 Q Now what is your understanding as to why Section 312(g)  
8 of the Communications Act has anything to do with  
9 Peninsula's failure to comply with the Commission's  
10 Order to turn off the translators that we've been  
11 discussing? And for purposes of your recollection I  
12 can show you 312(g) if you need to look at it.

13 A I -- I know it, I've memorized it. It has everything  
14 to do with why we haven't turned them off. And the  
15 reason being under 307(c)(3) our licenses continue in -  
16 - in effect pending finality of judicial review. And  
17 therefore since our licenses continue in effect even  
18 though they've been terminated I am not jeopardizing  
19 those licenses by shutting off the translators for more  
20 than 12 months. And since they continue in effect they  
21 would be forever lost under 312(g) because for 12  
22 months of continuous silence the licenses are  
23 automatically forfeited.

24 Q We had -- we talked about this just a little bit, but  
25 did there come a time when you attempted to sell the

1 translators we've been talking about to an entity  
2 called Coastal Broadcast Communications, Inc.?

3 A Yes.

4 Q And in addition to the seven translators that the  
5 Commission has ordered be turned off you also proposed  
6 to sell in that transaction the two translators in  
7 Seward to Coastal, correct?

8 A That is correct.

9 Q Now, you have in front of you a document entitled or  
10 styled Asset Purchase Agreement and it bears a date of  
11 November 4, 1996. And I direct your attention to page  
12 15 and ask if you could identify the signatures that  
13 appear there.

14 A David F. Becker, Seller, Buyer, David Buchanan, Coastal  
15 Broadcast Communications.

16 Q Now to your knowledge who is it that prepared or  
17 drafted the Asset Purchase Agreement that you executed  
18 with Mr. Buchanan?

19 A It was prepared by Jeffrey Southmayd.

20 Q Do you have any knowledge as to whether or not Mr.  
21 Buchanan was represented by counsel during the  
22 preparation of the Asset Purchase Agreement?

23 A To my knowledge he was not represented by any counsel.  
24 We prepared the agreement, he signed it and I signed it  
25 and that was -- as simple as that.

- 1 Q To your knowledge was Mr. Buchanan represented by  
2 counsel during the prosecution of the applications to  
3 assign the licenses for the translator stations that  
4 are referenced in the Asset Purchase Agreement?
- 5 A I'm not aware of any other counsel. We mutually agreed  
6 to have Jeff prepare the paperwork, we signed it and it  
7 was a very simple transaction.
- 8 Q Now I want to focus on the time period that led up to  
9 the signing of this Asset Purchase Agreement. That's  
10 the context in which my next questions are coming from.  
11 Did you show Peninsula station ratings to Mr. Buchanan?
- 12 A I don't know. I don't recall.
- 13 Q Did you show any of the station's accounts, the money  
14 that was coming in, to Mr. Buchanan?
- 15 A This is six years ago, I don't remember. I might --  
16 maybe yes, maybe no, I don't know.
- 17 Q If you cannot remember it's perfectly acceptable to say  
18 you don't remember.
- 19 A Okay.
- 20 Q Did you discuss income potential of the translators  
21 with Mr. Buchanan?
- 22 A Yes.
- 23 Q And do you recall what it was that you discussed with  
24 him about that?
- 25 A Yes, I do recall. We discussed various scenarios, I



1       gave him some basic information about, you know, he  
2       could sell one 30 second ad an hour, he could crunch  
3       the math and determine for himself what he might think  
4       would be the income potential of these translators by  
5       selling a 30 second announcement once an hour as  
6       permitted by the rules to generate some revenue to  
7       offset his cost of running these stations.

8       Q     And did you -- in discussing that did you talk with him  
9             about what it was that he might charge? Did you  
10            discuss dollar figures with him?

11      A     We only ran -- our discussions were just speculative  
12             based on if you charge this much this is how much you  
13             could possibly make. I didn't set any rates for him,  
14             it was his responsibility to determine whether or not  
15             this thing made sense for him to do it economically.  
16             And he crunched his own numbers and figured out what -  
17             - what he might make on running this as a business.

18      Q     Now did he happen to show you any documents or any  
19             figuring that he had done?

20      A     Yeah, he did. He came up with some -- some possible  
21             scenarios of -- of what he might realize out of  
22             operating it.

23      Q     Now did you show station rate cards of any kind to Mr.  
24             Buchanan?

25      A     Yes. Yeah, I showed him what we were currently